

Adam Smith's Acknowledgments: Neo-Plagiarism and the Wealth of Nations*

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Scientific innovation proceeds more by disparagement of rivals than by excessive self-praise, perhaps because it appears more modest . . .

The correct way to read Adam Smith is the correct way to read the forthcoming issues of a professional journal.

—George Stigler, *The Economist as Preacher*

I

It is now generally accepted by historians of economic thought that in the nineteenth century Adam Smith's work was much overpraised for its originality and design. In an obvious reference to Smith, both Archbishop Whately and John Stuart Mill spoke of political economy having arisen as a science virtually within men's memories. J. R. McCulloch deepened this impression by his incorrect statement that Smith had successfully combated a general belief that gold and silver were the only real sources of wealth. In the large literature relating to Adam Smith, it is surprising that no one asks whether Smith himself was in any way responsible for this exaggerated estimate of the *Wealth of Nations*. In this essay, I shall consider just how far the *Wealth of Nations* would have been modified if Smith had followed a more liberal practice with respect to his acknowledgements. The charge of plagiarism was raised soon after the *Wealth of Nations* was published and has never been examined in detail. Even scholars who have done much to

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uncover evidence of borrowing, such as Edwin Cannan, have promptly gone on to dismiss out of hand the suggestion that Smith's borrowings could be taken as evidence of plagiarism.¹

To accuse an academic of unscholarly standards is always a serious matter, and it is essential to emphasize that my thesis is limited to the author of the *Wealth of Nations* rather than to Adam Smith, the professor of Moral Philosophy. Smith's first book, *The Theory of Moral Sentiments*, displays little of the obsession with originality that is apparent in the *Wealth of Nations*. The charge of borrowing was nonetheless raised against the *Theory of Moral Sentiments* by John Gillies, a translator of Aristotle. Even if the claim of Gillies is sustained, the extent of borrowing is minor compared with the *Wealth of Nations*. In a dignified reply to the charge of Gillies, Dugald Stewart set out some useful guidelines in the tracing of antecedents.²

In studying the connection and filiation of successive Theories, when we are at a loss, in any instance, for a line to complete the continuity of philosophical speculation, it seems much more reasonable to search for it in the systems of the immediately preceding period, and in the inquiries which then occupied the public attention, than in detached sentences, or accidental expressions gleaned from the relics of distant ages. It is thus only that we can hope to seize the precise point of view, in which an author's subject first presented itself to his attention; and to account, to our own satisfaction, from the particular aspect under which he saw it, for the subsequent direction which was given to his curiosity. In following such a plan, our object is not to detect plagiarisms, which we suppose men of genius to have intentionally concealed, but to fill up an apparent chasm in the history of Science, by laying hold of the thread which insensibly guided the mind from one station to another. By what easy and natural steps Mr. Smith's Theory arose from the state of Ethical discussion in Great Britain, when he began his literary career, I shall endeavor elsewhere to explain. [emphasis added]

It seems natural to assume that the contribution of an author cannot be fully evaluated unless we relate the author's works to the state of knowledge existing at the time that he wrote. Obvious as this point may seem, it has been largely neglected by Smith scholars in recent times. More than fifty years ago, at a time when detailed studies of the seventeenth and eighteenth centuries were much in vogue, Jacob Viner had asserted that on "few details" did Smith's analysis exceed that of his predecessors. Given Viner's judgment, one would have thought that a top priority for scholars would have been to establish, point by point, a comparison between Smith and his predecessors. While some work on these lines has been done, notably by Douglas Vickers on the theory of money and by S. G. Checkland on banking, a comprehensive analysis of this issue is still lacking. The studies of Vickers and Checkland have clearly shown how Smith fell behind his age on a number of issues, so it will not do to claim that Smith "synthesized" the best ideas of his predecessors.

Jacob Viner, of course, was an admirer of Smith, so it was possible for Smith scholars to accept his judgment in silence. When an unsympathetic critic such as Joseph Schumpeter repeated the same charge in 1954 in more forthright language, a reviewer of the *History of Economic Analysis* charged Schumpeter with envy. Why has the Viner-Schumpeter assertion been ignored in recent evaluations of Smith? Surely the large volume of detailed historical study done between 1900 and 1954 suffices to shed adequate light on this issue.³ It is important to reach methodological agreement on the question of priorities: If we permit feathers to be freely borrowed, who is to tell the peacock from the crow?

II

In a curious passage in the *Wealth of Nations* Adam Smith appears to support government regulation of the quality of cloth by affixing seals to guarantee quality, a function traditionally undertaken by individuals called aulnagers. The passage occurs immediately after Smith has described the justification for stamping money and is worth quoting in full since it provides a suitable introduction to the thesis of this essay.⁴

The use of metals in this rude state was attended with two very considerable inconveniences; first with the trouble of weighing; and, secondly, with that of assaying them. . . . Before the institution of coined money, people must always have been liable to the grossest frauds and impositions, and instead of a pound weight of pure silver, or pure copper, might receive in exchange for their goods, an adulterated composition of the coarsest and cheapest materials, which had, however, in their outward appearance, been made to resemble those metals. To prevent such abuses, to facilitate exchanges, and thereby to encourage all sorts of industry and commerce, it had been found necessary, in all countries that have made any considerable advances towards improvement, to affix a public stamp upon certain quantities of such particular metals, as were in those countries commonly made use of to purchase goods. Hence the origin of coined money, and of those public offices called mints; institutions exactly of the same nature with those of the aulnagers and stampmasters of woollen and linen cloth. All of them are equally meant to ascertain, by means of a public stamp, the quantity and uniform goodness of those different commodities when brought to market.

Why did Smith not consider free competition to be a sufficient guarantee of the quality of cloth? After all, Smith supported a system approaching *caveat emptor* even for something so intricate as medicine. Does cloth possess some peculiarity that places it beyond the working of market forces?

At this point, one's attitude towards Adam Smith becomes of importance. The die-hard admirers of Smith simply ignore such passages as, presumably, incomprehensible; more moderate admirers, such as Jacob Viner, look upon Smith as a "realist" who, when faced with practical problems, turned an absent-minded

eye to his general principles, and solved the problem at hand by whatever means he saw fit.

I would like to suggest another approach—the cynical one. What if Smith was simply an individual of moderate analytical talents who was obsessed with one idea—Free Trade—and boundless ambition, so that he would spend his lifetime ensuring the publication of his ideas as well as forwarding his own role in originating the new system? Each of the cynical attributions—moderate ability and ambition—suggests some consequences. The assumption of moderate ability has two implications. First, that the defense of free international trade would not be presented with complete consistency; second, that other parts of his economic system may well suffer from a good deal of inconsistency. The assumption of ambition implies that Smith would suffer from a Columbus complex, which would lead him to minimize his debt to others or even distort their ideas. A recently discovered letter shows that by 1777 Adam Smith had already gained a reputation for possessing “the greatest hauteur imaginable.”⁵

That Smith’s jealousy extended even beyond the heart of his beliefs, i.e., the case for free trade, can be seen from his treatment of the division of labor. In his much quoted treatment of this issue, Smith suggested three reasons why the division of labor increased productivity.⁶

This great increase of the quantity of work, which, in consequence of the division of labour, the same number of people are capable of performing, is owing to three different circumstances; first, to the increase of dexterity in every particular workman; secondly, to the saving of the time which is commonly lost in passing from one species of work to another; and lastly, to the invention of a great number of machines which facilitate and abridge labour, and enable one man to do the work of many.

It comes as something of a shock to find that *all* these reasons have been directly taken from the French *Encyclopedie*. Edwin Canaan is confident that this is Smith’s source because the example Smith uses divides pin-making into eighteen operations, as in the French *Encyclopedie*, and not twenty-five, as is done by the Englishman Chambers in his *Cyclopedia*. No one expects moral philosophers to be cognizant of technical processes, so it would hardly have hurt Smith’s reputation to have acknowledged his sources. In recent years, Vernard Foley has found significant similarities between the division of labor in Plato and that in Adam Smith, especially when we also look at Smith’s unpublished writings. (In view of Smith’s great love for classical literature such a comparison seems appropriate.) Whether it be a conjectural history of the division of labor, the use of metalworking and clothmaking as examples, the sequence in which economic activities arise, and especially the life of the porter-philosopher Diogenes Laertius as a basis for Smith’s famous claim that philosophers and porters are identical in their natural talents—the cluster of examples seems too much for coincidence.⁷ The claim that

Adam Smith borrowed points of importance, wholesale and without any acknowledgement, is therefore not unique to our cynic. Let us see what use he can put it to.

The topic of the division of labor is one of the most celebrated aspects of the *Wealth of Nations*. That Smith's indebtedness on this issue could remain unknown for over a hundred years suggests a real problem for the cynic. Clever borrowers have the least chance of being detected. Only a very careful search will provide significant clues, and the researcher immediately finds a considerable stumbling block in his path. Adam Smith was so intent upon leaving no papers for posterity that he was not content simply to leave instruction that they be burned, which he did, but, not trusting his executors, he sat up in his deathbed and personally supervised the burning of all his papers. The burning of one's papers was not an altogether exceptional practice, but George Stigler has properly noted that "only a man acutely sensitive to the opinion which posterity would hold of him would insist upon such an act."

A careful reading of even such evidence as is available provides circumstantial evidence for the cynic. W. R. Scott noted in 1900 that the order of topics in some parts of the *Wealth of Nations* followed that of Smith's professor at Glasgow, Francis Hutcheson, and Edwin Cannan has explained this as follows:⁸

Dr. Scott draws attention to the curious fact that the very order in which the subjects happen to occur in Hutcheson's *System* is almost identical with the order in which the same subjects occur in Smith's *Lectures*. We are strongly tempted to surmise that when Smith had hurriedly to prepare his lectures for Craigie's class, he looked through his notes of his old master's lectures (as hundreds of men in his position have done before and after him) and grouped the economic subjects together as an introduction and sequel to the lectures which he had brought with him from Edinburgh.

However, it is one thing to use one's old lecture notes at the beginning of one's career and quite another thing to follow them some twenty-five years later, especially when one has discovered some fundamental and revolutionary truths in the meantime. The admirer would say that Smith was lazy about revision—indeed, Smith himself had said that he found composition difficult. The cynic will retort that Smith's difficulty lay not so much in writing well, for Smith was always capable of considerable eloquence, but in connecting his writings coherently, a difficulty best exemplified by Smith's inability to understand those parts of economics not directly connected with his case for free competition.

Smith's jealousy for his own originality was fierce even at the earliest stages of his career. In 1755 he insisted on bringing his claims to originality to the attention of his contemporaries, perhaps because he felt the presence of some competitors. Dugald Stewart described the occasion as follows:⁹

There exists, however, fortunately, a short manuscript drawn up by Mr. Smith in the year 1755, and presented by him to a society of which he was then

a member; in which paper, a pretty long enumeration is given of certain leading principles, both political and literary, to which he was anxious to establish his exclusive right, in order to prevent the possibility of some rival claims which he thought he had reason to apprehend, and to which his situation as a Professor, added to his unreserved communications in private companies, rendered him peculiarly liable. This paper is at present in my possession. *It is expressed with a good deal of that honest and indignant warmth, which is perhaps unavoidable by a man who is conscious of the purity of his own intentions*, when he suspects that advantages have been taken of the frankness of his temper. On such occasions, due allowances are not always made for those plagiarisms, which, however cruel in their effects, do not necessarily imply bad faith in those who are guilty of them; for the bulk of mankind, incapable themselves of original thought, are perfectly unable to form a conception of the nature of the injury done to a man of inventive genius, by encroaching on a favourite speculation. *For reasons known to some members of this Society, it would be improper by the publication of this manuscript, to revive the memory of private differences*; and I should not have even alluded to it, if I did not think it a valuable document of the progress of Mr. Smith's political ideas at a very early period. Many of the most important opinions in *The Wealth of Nations* are there detailed; but I shall quote only the following sentences:—"Man is generally considered by statesmen and projectors as the materials of sort of political mechanics. Projectors disturb nature in the course of her operations in human affairs; and it requires no more than to let her alone, and give her fair play in the pursuit of her ends, that she may establish her own designs."—And, in another passage: "Little else is requisite to carry a State to peace, easy taxes, and a tolerable administration of justice; all the rest being brought about by the natural course of things. All governments which thwart this natural course, which force things into another channel, or which endeavour to arrest the progress of society at a particular point, are unnatural, and to support themselves are obliged to be oppressive and tyrannical. . . . A great part of the opinions," he observes, "enumerated in this paper, is treated of at length in some lectures which I have still by me, and which were written in the hand of a clerk who left my service six years ago. They have all of them been the constant subjects of my lectures which I read at Edinburgh the winter before I left it, and I can adduce innumerable witnesses, both from that place and from this, who will ascertain them sufficiently to be mine." [emphasis added]

Most scholars have accepted this as clear evidence that Smith had constructed the basic logic of the *Wealth of Nations* at a very early date. The extract provided, however, by no means proves quite this much. What Smith laid claim to was not to an argument but to a hope, and J. M. Keynes is careful in calling them economic "opinions." Until the details of the economic argument have been filled in, Smith has not proceeded one whit beyond the stage where theologians and philosophers had left the case for the system of liberty. Indeed, the available notes of Smith's lectures delivered in 1760–1763 do not provide any arguments for free international trade comparable to those of the *Wealth of Nations*.¹⁰

The available evidence, therefore, suggests to the cynic that either in 1750 or 1751 Adam Smith was struck by a vision—that of free international trade promoting both the material prosperity and mutual harmony of nations. It must be admitted that the vision is a noble one and that, if it be a true one, well worth fighting for. Smith's conversation with his contemporaries, especially the merchants, may have convinced him that the case for free international trade would only be laughed at if presented on *a priori*, philosophical grounds. His immediate task, therefore, was to learn how to clothe his thoughts in *their* language, and he was still very much a student, in this sense, when he proposed two issues for discussion before the Select Society, both of which had been subject to considerable recent debate. The first was on the naturalization of foreign Protestants and the second was on the corn bounty. Smith appears to be trying hard at this time to assimilate the economic principles behind the debates that stimulated British economic thought.¹¹

Our original problem was that of deciphering why Smith would have supported government regulation of cloth manufacture. As I researched this question, the suggestion arose that perhaps this passage belongs to a pamphlet from which Smith was trying to learn economics and was simply borrowed without consideration of its place in the overall scheme of things. In 1751 there was published in Edinburgh a pamphlet entitled *A Discourse of the Commonweal*, by one W. S., once thought to be William Shakespeare. The original pamphlet dates back to 1580 and was doubtless reprinted because it was felt to have special merit. That Adam Smith would have come across it early in his tutelage seems a reasonable guess. In one part of the *Discourse* the author is led to speak about the properties and advantages of money.¹²

Because in great traffic and assembly of buyers and sellers it was tedious to tarry for the weighing of these metals and trying, it was thought good that the prince should strike these metals with several marks, for the variety of weights they were, to assure the receiver the same to be no less than the weight it pretended. . . . much like I have known certain towns in England to have done which were wont to make their cloths a certain breadth and length and so set their seals to the same. While they kept the rate truly, strangers did not look on the seal and received their wares, whereby those towns had great vent of their cloth and consequently prospered very well.

Not only does Smith copy the reasons given for the benefits of state regulated coin, he even goes on to copy out the concluding sentiments regarding the sealing of cloth.¹³ It remains for the cynic to extend his case. Are there other instances where Adam Smith appears to have borrowed without acknowledgement?¹⁴

One of the most famous passages of the *Wealth of Nations* is that in which Smith denounces restrictions on the internal corn trade.¹⁵

The interest of the inland dealer, and that of the great body of the people, how opposite soever they may at first sight appear, are, even in years of the greatest scarcity, exactly the same. It is his interest to raise the price of his corn as high as the real scarcity of the season requires, and it can never be his interest to raise it higher. By raising the price he discourages the consumption, and puts every body more or less, but particularly the inferior ranks of people, upon thrift and good management. . . . The popular fear of engrossing and forestalling may be compared to the popular terrors and suspicions of witchcraft. The unfortunate wretches accused of this latter crime were not more innocent of the misfortunes imputed to them, than those who have been accused of the former. The law which put an end to all prosecutions against witchcraft, which put it out of any man's power to gratify his own malice by accusing his neighbour of that imaginary crime, seems effectually to have put an end to those fears and suspicions, by taking away the great cause which encouraged and supported them. The law which should restore entire freedom to inland trade of corn, would probably prove as effectual to put an end to the popular fears of engrossing and forestalling.

Smith's unqualified condemnation of the penalties on such activities as forestalling and regrating were widely influential in the 1790s.

The recommendation that all restrictions on the internal corn trade be removed was certainly not unique to Smith. Already in the 1680s Sir Josiah Child had drawn attention to the ill effects of regulations and by the mid-eighteenth century such complaints became increasingly frequent and were repeated with increasing clarity and force. In view of the many economists who supported a completely free internal trade in corn, Smith failed in his duty as a scholar by remaining entirely silent about his predecessors on this issue.

Our immediate concern, however, is whether Smith was more closely indebted to some of his predecessors than indicated simply by his adoption of their ideas. In this connection, a pamphlet written by an anonymous corn dealer, *Reflections on the Present High Price of Provisions*, is of interest. The pamphlet begins with a confident claim of the generally beneficent role of prices:¹⁶

The wisdom of many modern governments has been exercised in laying open trade and encouraging agriculture, thereby providing in the most effectual manner, for the proper supply of provisions; for, on the experience of the past and present times, it appears, that after sufficient laws are framed against frauds and deceits, the buyers and sellers may be left to settle the prices of all things between themselves. According to the maxim of Seneca, "No matter what the price is, so the buyer and seller agree upon it;" the magistrate has no occasion to interfere; for the nature of trade requires that both the contracting parties should look about them, if they would not be deceived.

The author then deals in detail with all the difficulties involved in attempts to interfere in the grain market. What is remarkable is the language with which the author describes the mentality of those who insist upon such restrictions.¹⁷

Although the belief of enchantments does not so much prevail in this country as formerly, yet 'tis observable, the repeal of the act against witchcraft could not be accomplished till the reign of George II. Some recent instances of the common people's zeal against witchcraft, seem to shew, that the repeal of that act has not removed the prejudices of many ignorant and obstinate bigots among all ranks of people.

The difficulty which occurred to our forefathers, in discovering the artifices of the engrossers and forestallers, is perhaps the reason, that the king's commission for the appointment of justices of the peace, enchantments, sorceries, arts magic, forestallings, regratings, and ingrossings are ranged together, as offences of a similar nature, because they were committed by wicked persons, in a manner both amazing and unknown.

It is probably in compliance with these prejudices, that justices of the peace are still directed by the king's commission, fully to enquire and inform themselves of the truth and reality of these offenses, viz. sorceries, engrossings, &c. on the oaths of good and lawful men.

Fortunately for the reputed witches, they have not now so much to fear from the laws as the reputed engrossers; for where there can be any pretence for persecution, there will always be found some persons on pernicious principles, who will promote base interests by popular delusions.

In reviewing this pamphlet the *Critical Review* gave it praise and repeated the thought that the laws against forestalling were reminiscent of the laws regarding witchcraft. At this point it is not just the ideas but even the language of the *Reflections* that is being copied by Smith!¹⁸ One point should be noted regarding Smith's borrowings from the *Discourse* or the *Reflections*: They are from authors whose general bias is definitely similar to his own. It would appear that Smith tried to "adopt" the economics of those authors who revealed a kindred philosophy, without much caring whether the overall economic structure was consistent.

Excluding those cases where there is some direct textual similarity, there is also an interesting case in which Smith's language narrows down the possible pamphlets he could have referred to. After having characterized the mercantile system as one that confused wealth and money, Smith appears to qualify his characterization near the end of the chapter.

Some of the best English writers upon commerce set out with observing, that the wealth of a country consists, not in its gold and silver only, but in its lands, houses, and consumable goods of all different kinds. In the course of their reasonings, however, the lands, houses, and consumable goods seem to slip out of their memory, and the strain of their argument frequently supposes that all wealth consists in gold and silver, and that to multiply those metals is the great object of national industry and commerce.

Who could Smith be referring to? One possibility is Sir William Petty, whose *Political Arithmetik* bears some resemblance to Smith's description. However, Smith speaks of "authors" in the plural and Petty does not quite fit Smith's characterization, so we should look for other pamphleteers. In this connection,

the following paragraph of Eli Heckscher is worth noting. Heckscher is considering the same issue discussed by Smith—how far the Mercantilists could be said to have identified money with wealth—and is led to describe his opinion of the highly praised *Considerations upon the East-India trade*.¹⁹

The development of the author's reasoning runs as follows: the true and primary wealth both of individuals and of the whole people consists of meat, bread, clothing and houses—the conveniences as well as the necessities of life; progress and improvement lie in the secure possession and the enjoyment of these things. They are wanted for their own sake; money is regarded as wealth because it will buy them. Precious metals are secondary and dependent; clothing and goods are real and primary riches. . . . This reasoning appears so clear that misunderstanding seems impossible. This is not so, however, for the pamphlet continues to the effect that everything which is consumed in England is loss—it can reap no profit for the country. . . . The author's talk of meat, bread, clothing and houses as the real riches is forgotten; such things are intended for use within the country and, indeed, this is scarcely to be avoided.

The similarity in the independent evaluations of Heckscher and Smith suggests that the *Considerations* is indeed one of the authors Smith was familiar with. This is significant because the *Considerations* has been considered one of the most brilliant pamphlets of the pre-Smithian age. Lord Macaulay called its author "an Achilles without a heel," and such sentiments have been echoed by many scholars. The specific points on which the *Considerations* is superior are the division of labor and the role of machinery. Of all analysts of the division of labor prior to the *Wealth of Nations*, the *Considerations* is the most explicit in relating the division of labor to the size of the market. Borrowing is hinted at by J. R. McCulloch, who said that the author Henry Martin has "set the powerful influence of the division of labour in the most striking point of view, and has illustrated it with a skill and felicity which even Smith has not surpassed, but by which he most probably profited." In view of the fact that the pamphlet was reprinted (with a new title) in 1720 and that copies of both editions are to be found in Joseph Massie's *Collection*, the current belief that the pamphlet was ignored appears unfounded. Insofar as Smith knew this pamphlet, whatever limited originality he could have claimed for his analysis of the division of labor, is now called into question. In addition, Smith must also be held responsible for having failed to present in the *Wealth of Nations* the fine analysis of machinery in the *Considerations*.²⁰

III

In gauging Adam Smith's indebtedness in Sections III and IV, I shall try to remain on the safe side of referring only to works that Smith definitely knew of or those which we have good reason to believe that he had read because they

were in his library. In section IIIA, Smith's relationship with three of his Scottish predecessors and contemporaries is considered, while section IIIB deals with two Anglican clergymen-economists, Bishop George Berkeley and Rev. Josiah Tucker. The relevance of Smith's contemporaries should be obvious, while the clergymen-economists are important because the dominant philosophical approach to the market, prior to the rise of the Scots, was provided in considerable measure by theologians.²¹

That Smith made his acknowledgements with less than generosity has already been noticed by several authors, e.g., Joseph Schumpeter, who states that this was the practice of the age. This is incorrect. If we turn to some of the works quoted in the *Wealth of Nations*, such as Charles Smith's *Tracts* on the corn trade or John Smith's *Memoirs* on wool, we shall find them scrupulous in acknowledging their intellectual debts. Among Smith's contemporaries, Gibbon is well known for the care with which he provides references, and the same is true of the best known agricultural writer of Smith's day, Arthur Young. The *Monthly Review* even takes John Campbell to task for providing too many references, a criticism that clearly indicates that the acknowledgement of other scholars' works was by no means uncommon. Two authors Smith expressed admiration for in *Wealth of Nations* are Sir Mathew Decker, "an excellent authority," and the "very accurate and intelligent" Rev. John Smith. Whether we look at Decker's *Essay* or Smith's *Memoirs of Wool*, we find a plenitude of references to the most eminent names in British economic thought.²² Perhaps the most interesting testimony to the contemporary practice of being careful about sources is provided by Smith himself in his *Lectures on Rhetoric*:²³

Historical truths are now in much greater request than they ever were in the ancient time. One thing that has contributed to the increase of this curiosity is that there are now several sects in religious and political disputes which are greatly dependent on the truth of certain facts. This it is that has induced almost all historians for some time to be at great pains in the proof of those facts on which the claims of the parties they favoured depended.

Among Smith's famous contemporaries only David Hume can be faulted with a reluctance to state acknowledgements, for Hume failed to give credit to either James Oswald for his correct statement of the influence of a growing quantity of money or to Rev. Josiah Tucker for having persuaded Hume that the prosperity of different nations was quite compatible. As these are among the two most valuable contributions of Hume as an economist, it seems that Hume's fame in this sphere would be considerably diminished by a proper allotment of priorities. Having mentioned Oswald, it is worth adding that Smith was indebted to Oswald for the significant suggestion that price should be split up into its component parts of wages, rents, and profits. R. L. Meek's attribution of prescience to Smith for having "introduced" profits as a separate component of national income needs to be modified in this light.²⁴

A. A more important omission is the failure to give due credit to Rev. Francis Hutcheson. When Adam Smith entered Glasgow College in 1737, he came into contact with one of the outstanding intellects of eighteenth century Britain, Francis Hutcheson. The lectures of Hutcheson mark a turning point in the intellectual life of Scotland. While some groundwork had been laid by the lectures of Gershom Carmichael, Hutcheson's predecessor, there is general agreement that it was the vivacity and force of Hutcheson's lectures, the first Scottish professor to lecture in English instead of Latin, that put a new face on learning in Scotland. The extant publications of Hutcheson would appear to be a pale reflection of his abilities since everyone agrees that the principal source of Hutcheson's impact was his lectures. Nonetheless, even the available writings of Hutcheson are of such quality that W. L. Taylor has come to the conclusion that²⁵ "no other man . . . did as much to guide the development of his [Smith's] intellectual awakening and mold his ideas as did Francis Hutcheson."

To begin with, let us remind the reader of W. R. Scott's demonstration that the order of several of Smith's lectures was patterned after those of Hutcheson, as well as Scott's conjecture that Smith did what many a subsequent teacher has done at the beginning of his career—use his own student lecture notes as the basis of his teaching. But Smith's indebtedness goes beyond that of adopting a general plan. Consider Hutcheson's remarks on the role of demand in setting market prices:²⁶

When there is no *demand*, there is no price were the *difficulty* never so great; and were there no difficulty or labor requisite to acquire, the most universal demand will not cause a price; as we see in fresh water in these climates. Where the demand for two sorts of goods is equal, the prices are as the difficulty. Where the difficulty is equal, the prices are as the demand.

When Hutcheson comes to compare the standard of living at different times, he considers that a comparison with the price of labor forms the best deflator. Smith was later to adopt the same measure, having meanwhile turned an approximation into an "invariable measure." The most striking debt of Smith to Hutcheson is probably the latter's clear statement of the principles underlying Say's Law. Without some way of asserting that luxury expenditures were not essential for full employment, Smith would have been hard-pressed to justify a system of accumulation and growth based on frugality. Hutcheson provided just such an argument in his reply to Mandeville's claim that robbers were beneficial in providing employment to locksmiths.²⁷

Who needs be surprised that luxury or pride are made necessary to public good, when even theft and robbery are supposed by the same author [Mandeville] to be subservient to it, by employing locksmiths? Were there no occasion for locks, had all children and servants discretion never to go into chambers unseasonably, this would make no diminution of manufactures; the money saved to the housekeeper would afford either better dress, or other

conveniences to a family, which would equally support artificers, even smiths themselves might have equal employment. Unless all men be already so well provided with all sorts of convenient utensils, or furniture, that nothing can be added, a necessity or constant usefulness of robbers can never be pretended, any more than the public advantages of shipwrecks and fires, which are not a little admired by the author of the fable.

It has often been pointed out by scholars that in a letter to the University of Glasgow Smith referred to the²⁸ "never to be forgotten Dr. Hutcheson," as though this made amends for the omission of any mention of Hutcheson in the *Wealth of Nations*. The general public could not, after all, be expected either to know of a *private* letter to the University or be able to read into it Smith's extensive debts to Hutcheson.

The author who could have most expected that Smith would have referred to him but who was nonetheless passed over in complete silence was Sir James Steuart. In a letter to William Pultney, Smith spoke condescendingly of Steuart's *Inquiry*, perhaps the first systematic treatise on economics in English to be laid before the public: "I have the same opinion of Sir James Steuart's book that you have. Without once mentioning it, I flatter myself that any fallacious principle in it will meet with a clear and distinct confutation in mine."²⁹ Later Smith deepened to the wound by saying that he had not come across any intelligible account of the Bank of Amsterdam written in English, thus implying that Steuart's own description of that bank was unintelligible!³⁰

Although Smith's total neglect did not make Steuart's name a lost one in the last quarter of the eighteenth century, it was nonetheless a considerable blow. Modern commentators, on the other hand, have found much to admire in Steuart. His methodological eclecticism, for example, indicates a more delicate understanding of the specificity of economic policy than is available in Smith. Steuart has a perceptive discussion of the difference between expenditures for subsistence and expenditures to maintain one's social rank, much like Thorstein Veblen. Steuart also provides a good description of economic transactions such as services, which were not embodied in some material output, while his discussion of price formation is worth quoting:³¹

In proportion . . . as the rising of price can stop demand, or the sinking of price can increase it, in the same proportion will competition prevent either the rise or fall from being carried beyond a length.

Both Smith and Steuart shared a belief in the resilience of the market economy, and it is noticeable that Smith uses the easy reemployment of disbanded soldiers after the Seven Years' War, as had Steuart nine years earlier. Not all Smith's contemporaries were happy with Smith's literary manners, and one of Steuart's obituaries makes a thinly-veiled reference to Smith as a plagiarist!

Robert Wallace was one of the royal chaplains of Scotland and a well-known figure in Scottish intellectual circles. Hume's long essay "On the Populousness of Ancient Nations" was originally meant as a reply to an unpublished essay by Wallace on the same topic. The publication of Hume's essay forced Wallace to publish his hitherto unpublished manuscript. Later, Wallace was to write another essay on population in which he envisioned a communist Utopia and then forecast its downfall due to the growth of population. The anticipation of the Malthusian population thesis is remarkable, save for Wallace's prediction that the Utopia would be doomed over a relatively long period of time, a century or two, whereas Malthus envisioned the same failure as occurring within a decade or two. There can be little doubt that Adam Smith was familiar with the writings of Wallace. In 1758 Wallace published a pamphlet entitled *Characteristics of the Present Political State of Great Britain*, in which he combatted various notions suggesting that Great Britain was on the decline. One of the views with which Wallace took issue was Hume's opinion that a nation whose public debts were on the rise must decline. More pertinent to Adam Smith, however, is Wallace's statement on the true source of wealth:³²

In our inquiries concerning wealth, it is usual to consider silver and gold as the most substantial riches, as well as the most necessary means of procuring them: but neither the one, nor the other, is true. Industry is the chief mean of acquiring riches.

A little later, Wallace provides a market-based argument to show that high prices do not necessarily indicate poverty among a people:³³

In a nation where there is a greater stock of corn, of cattle, and of all sorts of commodities, than formerly, if at the same time the prices of those goods, instead of being diminished, are increased, there must be more buyers. If it were otherwise, the prices would fall. Again, if there are more buyers, either there must be more people in the nation for home consumption; or, if there is not, there must be a greater export and foreign trade; upon which supposition the nation must be richer. Which was to be proved.

When Wallace has to consider the effect of luxury on a nation, he does not deny that some individuals may ruin themselves by their excesses, but he denies that the bulk of any nation can ever be so far lost to the charms of frugality. The similarity to Adam Smith's own argument in this issue is striking:³⁴

The bulk of an industrious people never were, and, according to the common principles of human nature, never will be disposed to exceed their revenues. Such people are commonly attentive to gain. The love of profit is stronger with them, than the love of pleasure. In consequence of this they live within bounds, and the far greatest part of them are frugal. It is chiefly among men of great fortunes, who gain nothing by labor, that we shall find the disposition to extravagant expense. In an industrious nation these form but a small body.

In addition to the above passage, one may note the close correspondence between Wallace's argument on the competitive advantage of rich nations and those of Adam Smith on the same topic in first draft of the *Wealth of Nations* (although they were not subsequently incorporated into the *Wealth of Nations*).

In 1764 Wallace wrote *A View of the Internal Policy of Great Britain*, in which he clearly adopts several economic positions considered to typically "Smithian." Thus Wallace contrasts money and real wealth, notes that the greatest trade of a republic is the internal trade, points out that the price of labor is not always governed by the price of provisions, and attacks the East Indian trade for having caused so much suffering.³⁵

B. The one author who comes in for the most consistent praise in Wallace's *Characteristics* is George Berkeley, Bishop of Cloyne, and author of the *Querist*, a brilliant and incisive pamphlet on the economic problems faced by a poor country—Ireland. Wallace remarks that the *Querist* "deserves well to be perused by every lover of his country, and of mankind." Let us see what Berkeley has to say on the true sources of wealth:

Whether the four elements, and man's labor therein, be not the true source of wealth.

And on the relationship of gold and silver to the true source of wealth:³⁶

Whether there be not a measure or limit, within which gold and silver are useful, and beyond which they may be hurtful?

Whether a discovery of the richest gold mine that ever was, in the heart of this kingdom, would be a real advantage to us?

Who does Berkeley think should be the true beneficiaries of economic policies?³⁷

Whether a people can be called poor, where the common sort are well fed, clothed and lodged?

Whether in all public institutions, there should not be an end proposed. . . . Whether this end should not be the well-being of the whole? And whether, in order to achieve this, the first step should not be to clothe and feed our people?

I would take up too much space to consider Berkeley's advanced views on the nature of money and banking; suffice to say here that modern scholarship finds more to admire in Berkeley's monetary theories than in those of Hume or Smith.

Since Berkeley died as Bishop of Cloyne in 1753, one might ask whether Smith would in fact have known of Berkeley. Even if one discounts the fact that Smith owned copies of both the *Querist* and Berkeley's collected works, a variety of circumstantial evidence suggests that Berkeley would have been known to Smith in the 1740s. To begin with, it should be pointed out that Berkeley was perhaps most famous in his own day as the philosopher of immaterialism. This curious theory so stimulated the youth of Scotland that a club was formed in Scotland

in 1740 to discuss and propagate Berkeley's views. It is unlikely that Smith, who was just leaving Glasgow College, would be unaware of this club. Berkeley's *Querist* was first published in 1736, and it is more than probable that the *Querist* was also extensively discussed by the young intelligentsia of Scotland in the 1750s. When Adam Smith went off to Oxford in 1744, he suffered a period of depression. In a letter to his mother in 1744 Smith writes that he was feeling better after having taken tar water. In 1743 Berkeley had written a pamphlet, *Siris*, on the virtues of tar water as a medicine, and this publication helped fuel a popular enthusiasm for tar water. And if Smith did read *Siris*, is it not likely that he would have sought out other pamphlets by the same author, especially if they related to trade? Finally, we find that the *Querist* was reprinted twice in Scotland in the 1750s by printers familiar to Smith; the fact of such reprinting shows an intense interest in Berkeley among the Scottish reading public, and the printers can be reasonably supposed to have brought their reprints before the professor who had to lecture on such topics. And yet, the only contemporary author Smith quotes as critical of mercantile ideas, whether in his *Lectures* or the *Wealth of Nations*, is David Hume.³⁸

The Rev. Josiah Tucker was a contemporary of Smith who had achieved considerable fame as a writer on commercial affairs. Tucker had written in support of naturalizing foreign Protestants and Jews and against the monopoly of the Turkey trade. Some of his works had even been translated into French. In 1758 he engaged in a controversy with David Hume on the question of whether a country that acquired a balance of gold through trade must necessarily lose it again. It is agreed by most modern scholars that Tucker had the best of Hume in this debate and that Hume's liberal views on international trade were substantially influenced by Tucker. Smith must have known of Tucker through Hume; in any case, Tucker published his side of the debate in 1774, two years before the publication of the *Wealth of Nations*. Tucker was also the principal advocate for a complete separation of the North American colonies from the mother nation, an opinion that only earned him a reputation as a visionary. Smith owned most of Tucker's tracts, yet made no mention of him either in 1776 or ten years later, when he was revising the *Wealth of Nations* at a time when the separation Tucker advocated had occurred. Tucker, it may be pointed out, is the only author singled out by James Bonar as having been unfairly neglected by Smith.³⁹

Tucker was a vigorous advocate of the complete freedom of internal trade, and an example of his arguments may be seen from his attack on attempts to fix wages and prices by law.⁴⁰

The statutes regulating wages and the price of labor are another absurdity, and a very great hurt to trade. . . . Nay, how indeed can any stated regulations be so contrived as to make due and reasonable allowance for plenty or scarcity of work, cheapness or dearness of provisions . . . the goodness or badness of the workmanship . . . the unequal goodness of the material

to work upon, state of the manufacture, and the demand, or stagnation, at home or abroad?

In consistency with the above, Tucker was against any interference in markets that had become temporarily glutted. Indeed, in Tucker's statements about the ability of the economy to reemploy displaced workers, some scholars have seen an early version of Say's law.⁴¹

Tucker's view on the benefits of labor-saving machinery is also unequivocal. The great lowering of price after the introduction of such machinery leads to large increase in demand for the product, and this in turn leads to large increase in demand for the product, and this in turn leads to the reemployment of those laborers previously dismissed, reemployment in making and tending machines and in wholesaling and retaining the improved product. Apart from glossing over the transitional period, Tucker's discussion is complete.⁴² It is also much more to the point than the corresponding discussion in Book II, Chapter II, of the *Wealth of Nations*.

Tucker's view of the potency and role of self-interest are as sophisticated as any to be found in the economic literature of the eighteenth century. First, Tucker believed strongly in the power of self-love to normally produce beneficial results.⁴³

But what is the Office of Reason? Not surely to extinguish Self-Love; that is impossible: And it might even be questioned whether it would be right to attempt to diminish it: For all Arts and Sciences, and the very Being of Government and Commerce, depend upon the right exertion of this vigorous and active Principle . . .

Second, Tucker realized that, left to itself, self-love degenerated very rapidly into a spirit of monopoly.⁴⁴

. . . were this Passion to Proceed without Direction or Control, it would in a great measure defeat its own Ends. For Self-Love is narrow and confined in its Views, and admits of no Sharers or Competitors, where-ever it can exclude them. Therefore when you see a Set of Individuals forming Combinations and exclusive Societies, you may observe, that the Members of this exclusive Company are still Rivals and Competitors among themselves; and after having excluded the rest of their Fellow-Subjects, would, in the next Place, exclude each other, if they could.

The function of the law, however, was precisely to direct self-love so that its operations would lead to beneficial results.⁴⁵ “. . . the main Point to be aimed at, is neither to extinguish nor enfeeble Self-Love, but to give it such a Direction, that it may promote the public Interest by pursuing its own: And then the very Spirit of Monopoly will operate for the Good of the Whole.”

Tucker clearly perceived the problems inherent in letting self-love run its course, and he suggested a solution—judicious interference by the state. He also noted that such interference would, in general, harm some particular interests and suggested that such interests should give way before the public good. It is worth

noting that Tucker explicitly deals with the issue of designing institutions so as to let self-interest drive the economy to favorable goals. His treatment of the institutional background of a market economy is more useful than the corresponding work of Smith, who deals with such issues on an ad hoc basis and does not view the general problem.⁴⁶

IV

Let us turn from Smith's neglect of earlier economic writers to his treatment of contemporaries who criticized the *Wealth of Nations*. Shortly after the publication of the *Wealth of Nations*, two good critiques of various doctrines in that work were published. The first was by Thomas Pownall, former governor of Massachusetts, and was directly addressed to Smith.⁴⁷ Pownall made several pointed criticisms of Smith, principally because he was worried that Smith's book would soon become a standard text and its errors thereby propagated. Pownall questions whether the propensity to truck is an "innate propensity" of human beings and whether labor can properly be considered as an invariable measure of value. In a curious reversal of roles, Pownall takes Smith to task for distinguishing between natural and market price. The market price was *the* natural price according to Pownall, and distinguishing between the two could only encourage someone to interfere with the market and try to establish the "natural" price. Pownall opposes Smith's view of money purely as a circulating medium and considers that the neglect of money's role as a repository of value can encourage not only the use, but also the excessive use, of paper money as a substitute for gold and silver. His own experience in the colonies led Pownall to believe that his fears on this issue were well founded. Pownall tries to analyze the impact of an influx of money, paying particular attention to the lag with which the prices of the agricultural sector rise. On the basis of this lagged effect, Pownall supported some measure of protection for agriculture, and, in particular, to a defense of the county on corn. Some of Pownall's most perceptive comments concern infant industries. he agrees that restraining such imports "as cannot be made so cheap at home" is not a good policy, but this is not how such protective legislation is designed. When the industry to be supported is skillfully chosen, society soon recovers the initial costs of support.⁴⁸

Although these efforts, thus artificially forced, are at first disadvantageous and unprofitable to the community: yet by his industry being so directed to, and so supported in a line of labor, which he could not naturally have gone into, nor could have supported himself by, these first efforts, which the community pays for, do by repeated exercise produce skill, which in time will work as well, and enable the home manufacturer (if his labor is employed on native home rude produce) to sell as cheap, and soon cheaper, than the foreign workman and manufacturer; his labor then will become profitable to himself, and advantageous to the community of which he is a part. It was

thus our woolen and hardware manufacturers were first encouraged and supported.

In later editions of the *Wealth of Nations* Smith makes some slight changes to his text, without indicating any acknowledgement to Pownall. None of Pownall's substantive criticisms are taken note of by Smith in his revisions, but Smith nonetheless wrote to Andreas Holt that⁴⁹

... I flattered myself that I had obviated all the objections of Governor Pownall. I find, however, he is by no means satisfied, and as Authors are not much disposed to alter the opinions they have once published, I am not much surprised at it.

Smith appears unaware that exactly the criticism he makes of Pownall is applicable to himself.

A second criticism of a doctrine supported in the *Wealth of Nations* was offered by James Anderson, an agricultural economist who is now justly famous for his original exposition of the theory of rent. In his *Enquiry into the Nature of the Corn-Laws* Anderson opposed Smith's doctrine on the corn bounty. With commendable analytical exactness, Anderson divides agricultural land into various grades, which he calls A,B,C,D,E, etc. He then shows that the less fertile fields will not be cultivated unless the price of corn (or oats) rises to a certain level. Anderson concludes that⁵⁰

rents are not at all arbitrary, but depend on the market price of grain; which in its turn, depends upon the effective demand that is for it, and the fertility of the soil where it is raised: so that the lowering of rents could never have the effect of rendering grain cheaper.

This is a very lucid argument to show that agricultural rents are price-determined, not price-determining. Had Smith seen fit to either accept or reject publicly Anderson's analysis, the corn model of rent determination would at least have entered economic analysis well before Ricardo, Malthus, or West.

In a letter in 1780 Smith referred to Anderson as "a very diligent, laborious, honest man" but claimed that he had made a verbal alteration in response to Anderson's seventy-five page argument and this sufficed to take away "the foundation of the whole argument of Mr. Anderson."⁵¹ This tour de force of brevity seems to have given Smith second thoughts because he apparently told Dr. Cullen at a later date that Anderson deserved a reply. In 1790 Anderson was full of good will toward Smith and spoke highly of him in the *Bee*, a periodical that he edited, but as time went on he became bitter about Smith's refusal to accept his arguments, and in 1801 he referred to Smith as a "peevish" theorist.⁵² It is unfortunate for the history of economics that Smith did not see fit to publicize the penetrating economic analysis of Anderson.

V

Adam Smith's peculiar habit of acknowledging predecessors as little as possible where issues of substantive theory were involved is all the more extraordinary in view of Smith's jealousy about his own priorities. In 1755 he publicly asserted authorship of the system of natural liberty "in order to prevent the possibility of some rival claims which he thought he had reason to apprehend."⁵³ Subsequently he leveled charges of plagiarism against Adam Ferguson in 1767 and William Robertson in 1769. Such accusations led to a breach with Ferguson, probably around 1780, and their differences were not patched up till Smith lay close to death. The accusation leveled at Ferguson is especially curious because it can be shown that Smith's treatment of the division of labor, the bone of contention between the two men, was substantially adopted from the French *Encyclopédie*! Ferguson's reply that he had only dipped into the same French source as Smith should have settled the controversy. On a further point, it may be pointed out that Smith does not even refer to Ferguson's elaborate analysis of the alienation of the worker under the division of labor. The analysis in Smith's own *Lectures* is quite brief and scarcely touches on the broader sociological implications deduced by Ferguson.⁵⁴ That Adam Smith's character possessed many virtues is undoubted, but a capacity to be clearheaded about intellectual priorities does not appear to be among them.⁵⁵

In the only recent discussion of this feature of Smith's literary style, Clyde Dankert⁵⁶ notes the paucity of references in the *Wealth of Nations* and relates the incident of Smith having told James Boswell that "he was convinced that a Book should be complete and without references to other Books." It is possible that Smith meant that the argument of a book should be self-contained, which is certainly an excellent ideal in a volume meant for general instruction. In the context in which it is quoted, however, it appears to refer to the customary practice of acknowledging one's intellectual predecessors; if so, Smith's words are certainly extraordinary. What remains to distinguish a plagiarist from an honest pedagogue? Scholars hinder our historical understanding by failing to turn a cynical eye on the author who informed us that the desire to improve our situation comes with us from the womb and does not leave us till we get to the grave. Intellectuals seek immortality as purveyors of important original ideas. Why should Adam Smith be exempt from such feelings? And, if he did possess them, why do scholars feel uneasy about publicizing this issue?

NOTES

A very useful collection of articles on Adam Smith is to be found in J. C. Wood, ed., *Adam Smith: Critical Assessments* (London: Croom Helm, 1984), 4 vols. When I have had reason to refer briefly to a particular article contained in this collection, hereafter indicated as ASCA, I have simply indicated the article by its place in ASCA.

1. Richard Whately, *Introductory Lectures* (London, 1831), 3. J. S. Mill, *Principles of Political Economy* (London, 1872), Preface. J. R. McCulloch, *The Literature of Political Economy* (London, 1845), 13. Adam Smith, *The Wealth of Nations* (New York, 1937), E. Cannan, ed. Editors Introduction, li.

I am only interested in possible borrowings and ignore the question of the correctness of doctrines. Since this paper was written, T. W. Hutchison has written a masterly account of Smith's background in *Before Adam Smith* (London: Blackwell, 1988). Despite Hutchison's expressed intent of upholding Smith's stature, readers cannot fail to observe how little remains to credit Smith within Hutchison's account. Curiously, Smith himself is often used as the main source for the views of his predecessors—with predictably unfortunate results. See S. Rashid, "Adam Smith's version of the History of Economics and its Influence in the 18th and 19th Centuries," *Quarterly Review of Economics and Business* 27 (Autumn 1987): 56–69.

2. John Gillies (Scottish historian), in his translation of Aristotle's *Ethics and Politics*, as described by Dugald Stewart in "An Account of the Life and Writings of Adam Smith, LL.D." in *The Collected Works of Dugald Stewart*, vol. 10 (Edinburgh, 1872), 82–84.

If Stewart's claim that discoveries arise by "easy and natural steps" be seriously applied to the *Wealth of Nations* it would remove much of the need for a paper such as this. Unfortunately, this is precisely where Smithian scholarship has been noticeably lax.

3. Jacob Viner, "Adam Smith and Laissez-Faire" in J. M. Clark et. al, *Adam Smith 1776-1926* (Chicago, 1928), 118. D. Vickers, "Adam Smith and the Status of the Theory of Money." S. G. Checkland, "Adam Smith and the Bankers." Both are in *Essays on Adam Smith* ed. A. S. Skinner and T. Wilson (Oxford, 1975). The failure to understand that Smith's microeconomics is no improvement upon the "folk" microeconomics that was common knowledge by 1760 is the most persistent failing in the existing literature. I deal with this point in some detail in "Smith, Steuart and Mercantilism: Comment," *Southern Economic Journal* (January 1986). J. Schumpeter, *History of Economic Analysis* (New York, 1954), W. D. Grampp, "The Liberal Elements in English Mercantilism," *Quarterly Journal of Economics* (November 1952): 465–501. E. Heckscher, "Mercantilism," *Economic History Review* (1936–37), reprinted in D. C. Coleman, ed., *Revisions in Mercantilism* (London: Methuen 1969), 19–34.

I. M. D. Little, "History of Economic Analysis [Review of Schumpeter]," *Economic History Review* 8 (1954), 91–98.

4. Smith, *Wealth*, 24–25.
5. A. C. Dow, "The Hauteur of Adam Smith: An Unpublished Letter from James Anderson of Monkshill," *Scottish Journal of Political Economy* 31, 3 (November 1984): 284–85.
6. Smith, *Wealth*, 7.
7. Smith, op. cit., 8. V. Foley "The Division of Labor in Plato and Smith," *History of Political Economy* 6 (Summer 1974): 220–42, as well as "Smith and the Greeks: A Reply to Professor McNulty's Comments," *History of Political Economy* 7 (Fall 1975): 379–89. See also V. Foley, *The Social Physics of Adam Smith* (Purdue University Press, 1976).
8. Cannan, op. cit., xlix. G. Stigler, "The Success and Failures of Professor Smith" in ASCA no. 112, 457.
9. "An Account of the Life and Writings of Adam Smith, LL.D." in *The Collected Works of Dugald Stewart* vol. 10 (Edinburgh, 1872), 67–68. There is considerable mystery surrounding this occasion. "Considering that about forty years had elapsed between the time at which Stewart wrote the *Memoir*, one fails to understand why he handles the episode as if he were in deadly fear of saying anything of real importance about it." W. R. Scott, "New Light on Adam Smith," *Economic Journal* (1936), in ASCA, no. 5, 56. J. M. Keynes considers the passage carefully and suggests that it was prompted not so much by someone having borrowed from Smith as by the accusation that it was Smith who had borrowed. However, Keynes clearly indicates that there is a mystery about the incident. "Adam Smith as Student and Professor," *Economic History* (1938), in ASCA, no. 8, 81–82.

Smith's move between different philosophical approaches may have political implications. S.

- Rashid, "Political Free Trade? The *Lectures on Jurisprudence and the Wealth of Nations*," BEBR Working Paper No. 1537, University of Illinois.
10. Keynes, op. cit., 82. The argument of the *Lectures* argues *against* trade restrictions because they raise prices. Smith does not really provide any effective arguments *for* free trade except by attacking its negation. Book IV of the *Wealth of Nations*, on the other hand, contains a powerful, direct defense of Free International Trade. Among the many authors who consider Smith to have provided arguments for Free Trade by 1755, see G. F. Shirras, "Adam Smith as Student and Professor," *Indian Journal of Economics* (1938), in ASCA, no. 9, 90-91.
 11. Quoted by Dugald Stewart in his Biographical Sketch of William Robertson, op. cit., 204. There is no reliable evidence for the earlier view that Smith converted Glasgow merchants to Free Traders. J. F. Bell, "Adam Smith, Clubman," *Scottish Journal of Political Economy* (1960), no. 10 in ASCA, 95. An amusing error of transcription leads Bell to refer to Smith's question as dealing with the "naturalization of Foreign Protestantism" rather than the naturalization of Foreign Protestants."
 12. *A Discourse of the Commonweal* . . . ed. Mary Dewar (Charlottesville: Virginia, 1969), 76.
 13. Scholars have probably been misled by looking only in Hutcheson's works for sources of Smith's thought. A careful comparison will show that Smith does not give Hutcheson's arguments on the benefits of money. Readers interested in the prehistory of this formulation should note that the *Discourse* appears to expand on Oresme, who in turn seems to elaborate upon Aristotle. *Early Economic Thought*, ed. A. E. Monroe (Cambridge: Harvard University Press, 1945), 17 and 85.
 14. At least since the time of Edwin Cannan, close textual resemblance has been recognized as evidence of borrowing. It should be obvious that this is a "second-best" device.
 15. Smith, *Wealth*, 490, 500.
 16. *Reflections* . . . (London 1766), 1.
 17. *Ibid*, 40-41.
 18. *Critical Review* (1766), 461-62. The *Critical* does not reveal the identity of the author but hints that it can be readily ascertained.
 19. Smith, *Wealth*, 418.
- E. Heckscher, *Mercantilism* (London, 1965), vol. II, 367. Recent evidence presented by C. McLeod clearly points to Henry Martin as the author. "Henry Martin and the authorship of the 'Considerations upon the East India Trade,'" *Bulletin of the Institute of Historical Research* LVI, 134 (November 1983): 222-229.
20. J. R. McCulloch, *The Literature of Political Economy* (London: Longmans, 1845), 100. W. A. Shaw, ed., *Bibliography of the Collection of Books and Tracts on Commerce, Currency, and Poor Law (1557 to 1763) formed by Joseph Massie* (London: Harding, 1937).
 21. M. L. Myers, *The Soul of Modern Economic Man* (Chicago, 1983).
 22. Sir Mathew Decker, *Essay on the Causes of the Decline of the Foreign Trade* (London, 2nd ed. 1750).
 23. Ed. J. M. Lothian (London, 1963), 97.
 24. I have partially dealt with Hume in "David Hume and Eighteenth Century Monetary Thought: A Critical Comment on Recent Views," *Hume Studies* (November 1984): 156-164.
 25. W. L. Taylor, *Francis Hutcheson and David Hume as Predecessors of Adam Smith* (Durham, 1965) 14. Another admirer of Smith has the following words to say about Hutcheson's influence: "Had Hutcheson chosen to compile and to write rather than to lecture and to teach, the material obtainable from his notes would have left little ground for originality on the part of Smith," *The Return of Adam Smith* (Idaho, 1949), 5, by George S. Montgomery. Mr. A. Malter has pointed out to me that in William Leechman's preface to Hutcheson's posthumously published *System of Moral Philosophy* (1755) there is a reference to the "unseen hand" of Providence. The resemblance to Smith's "Invisible hand" is notable.
 26. Quoted by Taylor, *ibid.*, 66.
 27. Quoted by Taylor, *ibid.*, 105.
 28. John Rae, *Life of Adam Smith* (London, 1895), 411.
 29. *Ibid.*, 253-54.
 30. *The Wealth of Nations* ed. by R. M. Campbell and A. S. Skinner (Oxford, 1976), 10.

31. *Principles of Political Economy*, ed. A. S. Skinner, (London 1966), I, 177. The prevailing tendency to consider the Scottish enlightenment as a homogeneous affair is perhaps responsible for the neglect of Smith's contemporaries. For an excellent account of the period see R. B. Sher, *Church and University in the Scottish Enlightenment* (Princeton: Princeton University Press, 1985).
32. *Characteristics* . . . (London, 1758, 95).

The references provided by Sher, *op. cit.*, to sermons of Adam Ferguson and Hugh Blair (pp. 42, 43) show that it was common to argue that men were acting to fulfill goals which were no part of their original intention.

33. Wallace, *ibid.*, 119–20.
34. *Ibid.*, 136.
35. R. Wallace, *A View of the Internal Policy of Great Britain* (London, 1764), pp. 2, 7, 99, 273.
36. *The Querist in The Collected Works of George Berkeley*, ed. A. A. Luce and T. E. Jessop (London, 1953), 105.
37. *Ibid.*, 128.
38. The failure of scholars to emphasize the niggardliness of Smith's scholarship leads to some amusing errors. Edwin Cannan believed Berkeley to be the first to have claimed that economic policy should aim at the welfare of the common man. So obliquely is Cannan's view presented, that in the Guide to the Pergamon Press microfiche, *Adam Smith References Collection*, it is bluntly stated "Adam Smith refers to [Berkeley's] . . . queries in his WEALTH OF NATIONS." Would that this were true!
39. J. Bonar, *The Tables Turned* (London, 1926), 38.
40. As quoted by W. E. Clark, *Josiah Tucker Economist* (New York, 1901), 146.
41. P. Lambert, "The Law of Markets prior to J. B.: Say the Say-Malthus Debate," translated from the *Revue d'Economie Politique* (1942) in *International Economic Papers* I (1952).
42. Tucker's treatment of machinery has frequently been quoted by economic historians.
43. *The Elements of Commerce* . . . (privately printed 1756), reprinted in R. L. Schuyler ed., *Josiah Tucker* (New York, 1931), 59.
44. *Ibid.*, 59.
45. *Ibid.*, 58. There is some resemblance with Hume's views in *A Treatise of Human Nature* (Oxford: Clarendon Press, 1896), 492.
46. The best account of Adam Smith's treatment of the institutional framework is to be found in N. Rosenberg "Some Institutional Aspects of the Wealth of Nations," *Journal of Political Economy* (December 1960): 557–570. A careful reading of this fine article will, nonetheless, show that the treatment of institutions is not explicitly considered by Smith. This view of the relative merits of Smith and Tucker on the role of institutions is also espoused by F. A. Hayek, *Studies in Philosophy, Politics and Economics* (New York, 1967), 100.
47. *A Letter from Governor Pownall to Adam Smith L.L.D.F.R.S.* (London, 1776). Reprinted in *Correspondence of Adam Smith* ed. E. C. Mossner and I. S. Ross (Oxford, 1976).
48. *Letter*, 359.
49. W. R. Scott, *Adam Smith as Student and Professor* (Glasgow, 1937), 282. The Danish translator nonetheless appended a translation of Pownall's *Letter* to his translation of the *Wealth of Nations*.
50. J. Anderson, *Enquiry into the Nature of the Corn-Laws* (Edinburgh, 1777).
51. Scott, *op. cit.*, 282.
52. *A Calm Investigation into the Circumstances* . . . (London, 1801), 15–17.
53. See note 6 above. It is possible that Smith's public assertions were provoked by either the prevalence of social analysis using Leechman's (or Hutcheson's) "unseen hand" (note 25) or the dissemination of Viscount Townshend's *laissez-faire* views. See S. Rashid, "Lord Townshend, Moral Philosophy and *Laissez-Faire*," *Journal of Libertarian Studies* VIII (Winter, 1986): 69–74.
54. This issue is covered in careful detail by R. Hamowy, "Adam Smith, Adam Ferguson and the Division of Labor," *Economica* 35 (August, 1968): 249–259.
55. My inability to read French and unwillingness to trust translations to adequately convey nuances has led to the omission of Smith's relation to the Physiocrats. This intriguing question has been raised several times in the past and considered insoluble in any definite way. The fact that Smith did *not* use an axiomatic framework for Free Trade in lectures before 1765 is suggestive of the

notion that the Physiocrats did influence Adam Smith substantially. Certainly Dugald Stewart thought so in the lectures on political economy he delivered in Edinburgh. I deal with Stewart's views at greater length in a "Political Economy as Moral Philosophy," *Australian Economic Papers* (June, 1987).

56. *Adam Smith: Man of Letters and Economist* (New York, 1974), 81.

The failure of Smith scholars to apply an even-handed approach is discussed in S. Rashid, "Does a Famous Economist Deserve Special Standards?" *Bulletin of the History of Economics Society* (Fall 1989).